OCD-HOEBS

UNITED STATES April 2004) DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

MOBBSONDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OM B No 1004-0137
Expires: March 31, 200

Lease Senal No.
 LC-032104

6.	If Indian, A	Allottee or Tribe Name	
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SUBMIT IN TRIPLICATE- Other instructions on reverse side.				7. If Unit or CA/Agreement, Name and/or No			
1. Type of Well Gas Well Other				8. Well Name and No.			
2. Name of Operator Chevron U	JSA, Inc.			A.H. Blineberry Federal NCT-3 #3 9. API Well No.			
3a. Address		3b. Phone No. (include	area code)	30-025-20026			
15 Smith Rd., Midla	ind, Texas 79705	432-561-8600		10 Field and Pool, or Exploratory Area			
4 Location of Well (Footage, Sec., 7	T., R., M., or Survey Description)			Blineberry / Drinkard			
2306' FNL & 660' FWL UL E, Sec.31, T-22-S, R-38-E			11 County or Parish, State				
12. CHECK AF	PPROPRIATE BOX(ES) TO	INDICATE NATURI	E OF NOTICE,	REPORT, OR OTHER DATA			
TYPE OF SUBMISSION		TYP	E OF ACTION				
Notice of Intent Subsequent Report Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Fracture Treat New Construction Plug and Abandon Plug Back	Production (S Reclamation Recomplete Temporanity A Water Dispose	Well Integrity Other Abandon			
13. Describe Proposed or Complete	ed Operation (clearly state all per	tinent details, including estir	nated starting date of	any proposed work and approximate duration thereof			

- 3. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof if the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No on file with BLM/BIA Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)
 - 1. Notify BLM 24 hrs prior to MI and RU.
 - 2. RIH on "Y" side and spot 115sx cement plug from 6700'-1950'. WOC&TAG.
 - 3. RIH on "Z" side and spot 105sx cement plug from 6308'-1950'. WOC&TAG.
 - 4. Cut and pull "Y" and "Z" side at 1950' and pull out of hole.
 - 5. Spot 30sx cement plug from 1950'-1850'. (stub) WOC&TAG.
 - 6. Displace hole w/MLF, 12.5# Brine w/25# gel P/BBL.
 - 7. Spot 70sx cement plug from 1350'-1100' (T.Salt/Shoe) WOC&TAG.
 - 8. Spot 110sx cement surf plug from 400'-surface, install dry hole marker.

SEE ATTACHED FOR CONDITIONS OF APPROVAL

RECLAMATION PROCEDURE ATTACHED

 I hereby certify that the foregoing is true and correct Name (Printed/Typed) 							
M. Lee Roark	Title	Agent for Che	vron U	SA, Inc.			
Signature 11. La Koral	Date	11-10.	-09				
THIS SPACE FOR FEDERAL	_	STATE OFF	ICE	USADDDC	WED		
	-2009	Title		Date	/ V L l/		
Conditions of approval, if any, are attached Approval of this notice does not warrant certify that the applicant holds legal or equitable title to those rights in the subject lewhich would entitle the applicant to conduct operations thereon	i	Office	•	NOV 12	2009 Winkle	£ 3	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any States any false, fictitious or fraudulent statements or representations as to anymatte	person k r within i	nowingly and was sure of the second s	llfully ti Bl	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	III III III II II III II II II II II II	of the	Inited
(Instructions on page 2)				CARLSBAD FIE	LU UFFICE		

PLUGGING & ABANDONMENT WORKSHEET (3 STRING CSNG) OPERATOR Cherron USA Inc LEASENAME A.H. Blineborry Federal NCT-3 #3 WELL. 225 RNG 31 TWN 38E SECT 660 EWL 2306 NSL **FROM** FORMATION @ TD TD: 7641 FORMATION & PBTD PBTD: SET @ TOC TOC DETERMINED BY SIZE 85/R circulated 1206 Suct. SURFACE 27/8 Prod 7640 1950 Timo. Svy 27/8 2 7640 1950 Temp. Svy. BOT TOC DETERMINED B TOP SIZE LINER 1 LINER 2 TOP - BOTTOM CUT & PULL @ 1950 PRRYS 1950 OPENSOLE PROD · REQUIRED PLUCS DISTRICT I MUO BACKS DEPTH TYPE KUNTLEK (WARTD) PLUG CMNT 2534 <u>ما يا 33</u> COMPLET QUEDEN 25 SSS 9850 OH 3688 PLUG F I DATUSTYAND 8700'-8800' SHOE 50 SXS FLD0 6 2 3910 AN ANTORES 5300 CIBP/35' T. 50/1 1236 nuun CDP 35 SXS 5200 10013 4600'-4700' 50 SDC3 7394 STUB 13. Salt FL0014 200 823 RETNR SQZ EI AWARE SURF 10 535 0.10 PLUG 67 BELL CANYON 6700-1950 1/55X FLDO EL 2 6308'-1950 10556 RL00#1 BALLERY CANYOR 5tub 1450 -1850 305v PLUG#1 CHE SPRING T52/1 70.54 13507-1150 PLUG 8 4 5064 PLUGES Shoe OLORUSTA. 400'-0 50r 1105x 55U7 FLUG#4 ALDERRY. 6005 HU041 TUBER 1 6370 PLUD #1 CHANGE **** MANO 4 10 FLUGS PLUG# WANTE LTOKA WOULDE TD 7641 NEVONIAN

Township: 22S

Current Location: 2306' FNL & 660' FWL

Wellbore Diagram

Ellenburger producing string (Z)

Blinebry Vent string (Y)

Well ID Info:				
Chevno. FB4837				
API No: 30-025-20026 L5/L6: U46 / 9800 Spud Date: 4/12/63				
L5/L6: U46 / 9800				
Spud Date: 4/12/63				
lo: p :				

Field: Blinebry Oil & Gas

12/63 Rig Released: 5/17/63 Compl. Date: 5/24/63 Surface Csg: 8 5/8' Set: @ 1206 w/ 700 sx cmt

Reservoir: Paddock

Elevations: GL 3309 KB 3320

DF. 3319

Range: 38E Unit E

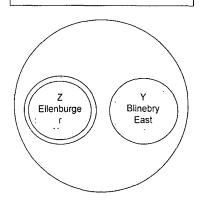
County: Lea State: NM

Section, 31 (SW/4 NW/4)

Log Formation Tops				
Rustler	1160			
Salt	1236			
B/Salt	2394			
Yates	2534			
Seven Rivers	2805			
Queen	3366			
Grayburg	3688			
San Andres	3910			
Glorieta	5064			
Blinebry	5507			
Tubb	6005			
Drinkard	6370			
Simpson	7367			
Ellenburger	7585			

Rod Detail: 9/29/94 1 1/4" polish rod w/ 1 1/2" x 8' liner (16') 3/4" subs 4', 4', 6' (14') 3/4" rods (2850') 5/8" rods (4600') 184 5/8" x 2' (2') 1.5-1 250-RWBC-16-5 (16') 3/4" Gas Anchor (10')

Tbg Detail: 9/29/94 238 jts 2 1/16" tbg (7544 00') (west string) 1 2 1/16" SN (84') 2 1/16" MA (15 00') FOT 7559 84



String Y: 2 7/8" 6.5# @ 7640 (Blinebry) String Z: 2 7/8" 6 5# @ 7640 (Ellenburger) Cmt: 1000 sx each string

Hole Size: 7 7/8" to 7250 Circ: No TOC: 1950 TOC By: Temperature survey

Initial Completion:

Hole Size: 11" TO 1208

TOC By: Circulation

Circ: Yes TOC: Surface

5/63 (Blinebry) perf (1jspf) 5599, 5624, 5662, 5672, 5692, 5734 A/600 gal 15% NEA , F/20000 gal lease oil & 20000 lbs sd 6/63 (Ellenburger) perf (1jspf) 7586-7600, 7616-7621; A/6000 gal 15% NEA ReA/6000 gal retarded acid

Subsequent Work (Z string) 12/75 (Drinkard) perf (1)spf) 6666, 6670, 6753, 6755, 6853, 6859, 6866, 6682, 6687, 6696, 6909, 6922, 6926, F/22500 gal x-link & 45000 lbs 20/40 sd , Perf (1jspf) 6308, 6310, 6313, 6370, 6374, 6401, 6404, 6411, 6430, 6432, 6436, 6442, 6460, 6462, 6468, A/500 gal 15% NE, F/22500 gal x-link & 25500 lbs 20/40 sd ; DHC w/Ellenburger

8/76 (DHC Blinebry- Drinkard-Ellenburger) perf (1jspf) 6700-6710, A/500 gal 15% NE

Perfs

Status

RA Collar & 4' sub @ 5548 (string Y)

√ 5599, 5624, 5662, 5672, 5692, 5734

Blinebry - open

6700-10

Commingling Perfs

∫ 6308, 6310, 6313, 6370, 6374, 6401, 6404, 6 Drinkard - open 6430, 6432, 6436, 6442, 6460, 6462, 6468 Drinkard - open

Commingling Perfs 6666, 6670, 6753, 6755, 6853, 6859, 6866, 6 Drinkard - open 6687; 6696, 6909, 6922, 6926 Drinkard - open

Junk in East String - 500' sandline sinkerbar w/swab @ 6738

7586-7600, 7616-7621

Ellenbuger - closed

Chevron USA, Inc. NMLC-032104: A.H. Blineberry Federal NCT-3 #3 API: 30-025-20026 Lea County, New Mexico

RE: Plugging and Abandonment Requirements, Conditions of Approval

- 1. OK
- 2. Proceed in stages. After first stage, pressure test to see if plug sealed properly. If it holds, continue as before. If it does not, contact BLM engineers to discuss options Otherwise OK. (Perfs Glorietta Yates Base of salt)
- 3. Proceed in stages. Same conditions as step 2 Otherwise OK. (Perfs Glorietta Yates BOS)
- 4. OK
- 5. Plug is to be a minimum 120' Otherwise OK. (Stub)
- OK
- 7. Tag at 1100' or shallower Otherwise OK. Displace with Fresh water MLF. (TOS Casing shoe)
- 8. OK Verify cement to surface in all annuluses. (surface)
- 9. Submit a subsequent report to the BLM.

See attached standard COAs.

DHW 111209



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 E Greene St Carlsbad. New Mexico 88220-6292 www.blm.gov/nm



In Reply Refer To 1310

Interim Reclamation Procedures

Reclamation Objective: Oil and gas development is one of many uses of the public lands and resources. While development may have a short- or long-term effect on the land, successful reclamation can ensure the effect is not permanent. During the life of the development, all disturbed areas not needed for active support of production operations should undergo "interim" reclamation in order to minimize the environmental impacts of development on other resources and uses.

Interim reclamation consists of minimizing the footprint of disturbance by reclaiming all portions of the well site not needed for production operations. The portions of the cleared well site not needed for operational and safety purposes are recontoured to a final or intermediate contour that blends with the surrounding topography as much as possible. Sufficient level area remains for setup of a workover rig and to park equipment. Topsoil is respread over areas not needed for all-weather operations. Production facilities should be clustered to maximize the opportunity for interim reclamation. In order to inspect and operate the well or complete workover operations, it may be necessary to drive, park, and operate on restored, interim vegetation within the previously disturbed area. This is generally acceptable provided damage is repaired and reclaimed following use.

To reduce final reclamation costs; maintain healthy, biologically active topsoil; and to minimize habitat, visual, and forage loss during the life of the well, all salvaged topsoil should be spread over the area of interim reclamation, rather than stockpiled.

- 1. The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of Operations must include adequate measures for stabilization and reclamation of disturbed lands. Oil and Gas operators must plan for reclamation, both interim and final, up front in the APD process as per Onshore Oil and Gas Order No. 1.
- 2. For wells and/or access roads not having an approved plan, or an inadequate plan for surface reclamation (either interim or final reclamation), the operator must submit a proposal describing the procedures for reclamation. For interim reclamation, the appropriate time for submittal would be when filing the Well Completion or Recompletion Report and Log (Form 3160-4). Interim reclamation is to be completed within 6 months of well completion.
- 3. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with interim reclamation as per approved APD or Sundry Notice. If you have issues or concerns, contact a BLM specialist to assist you. It would be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation equipment to ensure that it meets BLM objectives. Upon conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a specialist to inspect the location to verify work was completed as per approved plans.
- 4. The approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been reestablished. If the BLM objectives have not been met the operator will be notified and corrective actions may be required.
- 5. It is the responsibility of the operator to monitor these locations and/or access roads until such time as the operator feels that the BLM objective has been met.

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Permanent Abandonment of Federal Wells Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within <u>ninety (90)</u> days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.

- 2. <u>Notification:</u> Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.
- 3. <u>Blowout Preventers</u>: A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.
- 4. <u>Mud Requirement:</u> Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of **brine** water. Minimum nine (9) pounds per gallon.
- 5. <u>Cement Requirement</u>: Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in a cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. Any plug that requires a tag will have a minimum WOC time of 4 hours.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

- 6. <u>Dry Hole Marker</u>: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds)
- 7. <u>Subsequent Plugging Reporting:</u> Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**
- 8. <u>Trash</u>: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation procedure.

DHW 111109

If there are any questions, please feel free to contact any of the following specialists:

Jim Amos Supervisory Environmental Protection Specialist 575-234-5909, 575-361-2648 (Cell)

Terry Gregston Environmental Protection Specialist 575-234-5958

Bobby Ballard Environmental Protection Specialist 575-234-2230

Randy Rust Environmental Protection Specialist 575-234-5943

Linda Denniston Environmental Protection Specialist 575-234-5974

Jennifer Van Curen Environmental Protection Specialist 575-234-5905

Justin Frye Environmental Protection Specialist 575-234-5922 Cody Layton Natural Resource Specialist 575-234-5959

Trishia Bad Bear Natural Resource Specialist 575-393-3612

Todd Suter Surface Protection Specialist 575-234-5987

Doug Hoag Civil Engineering Technician 575-234-5979